

Recommendation Locator

The following Recommendation Locator is organized by recommendation. It includes the page where the recommendation can be found, the comment, and the agency's responses. In addition, the Appendix contains a Locator organized by department. Additional columns have been added to provide the information necessary to meet Single Audit reporting requirements. The CFDA No./Compliance Requirement/Federal Entity column indicates the federal program, type of compliance requirement by letter, and applicable federal agency. The contact for the Corrective Action Plan designates the state agency contact person. For those findings not subject to the Single Audit Act, the CFDA No./Compliance Requirement/Federal Entity column will be marked not applicable.

Summary of Progress in Implementing Prior Year Recommendations

This report includes an assessment of the disposition of prior audit recommendations reported in the Statewide Single Audit Reports and the Statewide Financial and Compliance Audit Reports for Fiscal Years 1996 through 1999. If a recommendation was reported in both reports, it is only included once in the following table.

Statewide Single and Financial Audit Reports for Fiscal Year:					
	Total	1999	1998	1997	1996
Implemented	32	15	12	4	1
Partially Implemented	21	15	4	2	-
Not Implemented	11	6	3	1	1
Deferred	5	3	1	1	-
Total	69	39	20	8	2

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
1	34	The Department of Agriculture should ensure that all employees receive a timely annual performance evaluation.	Agree	7/31/2001
2	35	The Department of Agriculture should improve its review of employee personnel files by verifying that withholding documentation is accurate and complete.	Agree	10/27/2000
3	38	The Department of Corrections should record a liability for its incurred but not reported claims, using an acceptable mathematical model that would be consistent from period to period and should obtain an understanding of the recent increases in its healthcare costs.	Agree	6/30/2001
4	42	The Department of Education should monitor the recording of expenditures at year-end to ensure that they are recorded in the proper period.	Agree	6/30/2001
5	44	The Department of Health Care Policy and Financing should complete cost allocation plans for Fiscal Years 2000 and 2001 and periodically allocate indirect costs between Medicaid and the Children's Basic Health Program during the fiscal year.	Agree	6/30/2001

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
6	49	The University of Colorado at Colorado Springs should strengthen its processes over fixed assets to ensure such assets are safeguarded, records are maintained, and disposals are handled in accordance with applicable federal, state, and University guidelines.	Agree	3/31/2001
7	51	Metropolitan State College of Denver should improve procedures over monitoring grant expenditures.	Agree	1/31/2001
8	52	Western State College should implement a procedure whereby the amount disbursed for federal and Colorado work-study in the payroll system is reconciled monthly with the financial aid system.	Agree	1/31/2001
9	54	Colorado Historical Society should require that (a) all museums submit cash register tapes with revenue remittances, (b) museums explain and void sales made in error, and (c) cash overages and underages be tracked.	Agree	Part a: 11/1/2000 Part b and c: 3/1/2001

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
10	56	The Colorado Historical Society should strengthen management controls over the processing of payment voucher transactions to prevent duplicate payments to vendors and review all 2000 expenses for duplicate payments.	Agree	11/15/2000
11	62	The Department of Human Services should revise the Purchasing Card Manual and conduct routine staff training on the proper use of purchasing cards.	Agree	2/1/2001
12	63	The Department of Human Services should improve the audit process for the purchasing card program by performing monthly reviews of transactions or cardholders, documenting audit procedures, and enforcing disciplinary action when necessary.	Agree	2/1/2001
13	66	The Department of Human Services should ensure payroll expenditures are accurate by (a) working with the vendor for the KRONOS payroll system to resolve problems, (b) implementing controls to compensate for errors, (c) reviewing payroll since the implementation of KRONOS, and (d) performing adequate payroll reconciliations between CPPS and agency information prior to the issuance of payroll.	Agree	Part a: 1/31/2001 Part b: 3/31/2001 Part c: 6/30/2001 Part d: 12/31/2000

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
14	68	The Department of Human Services should require documentation of supervisory approval on all time sheets for those employees eligible for overtime and shift pay.	Agree	3/31/2001
15	69	The Department of Human Services should ensure that the Disability Determination Services Division makes payments to vendors in a timely manner.	Agree	8/31/2000
16	72	The Department of Human Services should eliminate duplicate payment and service provision systems for mental health services at the Regional Centers.	Disagree	–
17	76	The Department's internal legal department should establish and distribute to supervisory personnel a written policy that includes detailed descriptions for the treatment of contract employees and clarification between contractual employee arrangements and salaried employee positions.	Agree	6/30/2001

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18	78	The Office of the Public Defender should separate the function of preparing the cash receipts log and recording the receipt on the State's accounting system and designate a third person to account for all cash receipt numbers and review the amount recorded on the State's accounting system.	Agree	6/30/2001
19	78	The Attorney Regulation Agencies Accounting Office should segregate the duties of handling cash, preparing the deposit, and maintaining the general ledger.	Agree	6/30/2001
20	80	The Department of Law should implement review procedures for the Uniform Commercial Credit Code fee payments and refund any excess to the lenders.	Agree	7/1/2000
21	85	The Department of Military Affairs should ensure that controls over accounting functions are operational so that all transactions are recorded properly at fiscal year-end.	Agree	6/30/2001
22	88	The Division of Wildlife should improve controls over license inventory by (a) reducing excess license inventories, and (b) tracking voided licenses separately.	Agree	Part a: Ongoing Part b: 1/31/2003

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23	91	The Oil and Gas Conservation Commission should ensure that all deposits are in compliance with statutory and other legal requirements that require deposits be held in public depositories.	Agree	6/30/2002
24	92	The Division of Minerals and Geology should ensure that all deposits are in compliance with statutory and other legal requirements that require deposits be held in public depositories.	Agree	8/31/2002
25	95	The Department of Public Safety should strengthen controls over the approval of credit card expenditures.	Agree	3/31/2001
26	95	Colorado State Patrol should require its local offices to verify approvals of credit card transactions before input into the State's accounting system.	Agree	12/1/2000
27	97	The Division of Criminal Justice should develop procedures for tracking time worked so that salary charges to federal programs are adequately supported.	Agree	1/1/2001
28	98	The Division of Criminal Justice should develop a schedule so that audits of community corrections vendors are completed at least every three years to ensure vendor compliance.	Agree	12/31/2001

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Rec. No.	Page No.	Recommendation Summary	Agency Response	Implementation Date
29	102	The Department of Revenue needs to evaluate its policies and procedures related to estimated tax payments and streamline the process by reviewing manual adjustments, automating the method of following up on inquiry letters sent to taxpayers, developing controls over the use of cancellation codes, and reviewing reports of pending deficiency notices more frequently.	Agree	11/03/2000
30	105	The Department of Revenue should ensure that earned income credits are accurate by testing that its edits for rejecting tax returns are functioning correctly, and evaluating its methods of ensuring accuracy when incomplete returns are submitted.	Agree	12/31/2001
31	107	The Department of Revenue should develop written policies and procedures for processing and reviewing estate tax installment payments to include (a) consistent follow-up to ensure that billings to late filers are timely, (b) the establishment of methods for identifying late payments or non-payments, and (c) a requirement that interest and principal be automatically calculated and reviewed for accuracy.	Agree	Parts a and c: 09/30/2000 Part b: 10/01/2000

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32	109	The Department of Revenue's Tax Conferee Section should improve its tabulation process for recording revenue, payables, and receivables in the State's accounting system by (a) requiring that schedules prepared for determining receivable and payable tax accruals be reviewed by a supervisor and (b) linking detailed spreadsheets to summary spreadsheets to minimize the risk of carrying over inaccurate amounts from the detailed schedule.	Part a: Agree Part b: Partially Agree	Part a: 06/30/2001 Part b: 6/30/2001
33	110	The Department of Revenue should improve its existing wage withholding accrual methodology so that it is consistently accruing taxes through June 30.	Agree	6/30/2001
34	121	The Department of Health Care Policy and Financing should ensure payments are made only for allowable costs under the Medicaid program by implementing control procedures so that third-party resources are exhausted, requiring current Electronic Data Interchange agreements for every provider, and monitoring pharmacy providers' compliance with newly adopted requirements.	Agree	3/31/2001

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35	123	The Department of Health Care Policy and Financing should ensure adequate controls are in place over automated systems for the Medicaid program by performing and documenting the required analysis under federal regulations for the Medicaid Management Information System (MMIS), and consider including a requirement that the fiscal agent obtain an independent assessment of controls over MMIS.	Agree	6/30/2001
36	125	The Department of Health Care Policy and Financing should work with the Department of Human Services to ensure all Single Entry Points are maintaining adequate files for Medicaid-eligible beneficiaries, and establish control procedures to ensure claims are not paid for an individual who is ineligible for benefits.	Agree	Ongoing
37	127	The Department of Health Care Policy and Financing should ensure that expenditures are made only to eligible providers and require documentation of a current provider agreement and applicable provider licenses and registrations.	Agree	7/1/2005
38	128	The Department of Health Care Policy and Financing should ensure all necessary information is maintained and requirements met regarding complaints under the Medicaid Managed Care Program and the Program of All-Inclusive Care for the Elderly.	Agree	Ongoing

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39	130	The Department of Health Care Policy and Financing should improve documentation of fraud and program integrity cases by requiring that case files contain all required supporting documentation and approvals.	Agree	7/1/2001
40	132	The Department of Health Care Policy and Financing should review regulations for determining the type of cost audits to be performed at long-term care facilities and current practices by evaluation risk assessment methodology, assessing the appropriateness of thresholds, and proposing legislative changes as necessary.	Agree	7/1/2001
41	135	The Children's Basic Health Plan Policy Board and the Department of Health Care Policy and Financing should identify options for reducing administrative layers and costs for the Children's Basic Health Plan, including options for alternative structures and delivery systems. Recommended changes should be submitted to the General Assembly as needed.	Agree	1/1/2001

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42	137	The Children's Basic Health Plan Policy Board should revise the eligibility rule to (a) reflect federal guidance stating that Social Security Numbers are not required as a condition of eligibility and (b) require verification of income for the same time period used to calculate gross family income for the purpose of eligibility determination.	Agree	9/30/2000
43	137	The Department of Health Care Policy and Financing should ensure enforcement of state and federal requirements to provide documentation of alien registration numbers.	Partially Agree	Contingent upon the Health Care Financing Administration
44	140	The Department of Health Care Policy and Financing should ensure capitation payments for the Children's Basic Health Plan are accurate by (a) performing monthly reconciliations for provider payments to identify retroactive enrollment changes and making necessary adjustments to payments and (b) requiring appropriate communication among staff regarding all adjustments to enrollment records.	Agree	Part a: 8/15/2000 Part b: 8/1/2000

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45	142	The Department of Health Care Policy and Financing should work with the Department of Human Services to identify on a monthly basis instances in which children are simultaneously enrolled in the Children's Basic Health Plan and in the Medicaid program. Erroneous enrollment records and provider payments should be corrected in a timely manner.	Agree	9/15/2000
46	145	The Department of Health Care Policy and Financing should ensure adequate controls over premium administration.	Agree	8/1/2000 and ongoing
47	146	The Department of Health Care Policy and Financing should ensure that the new information system premium administration is adequate to meet program requirements and addresses problems with the present system.	Agree	8/1/2000
48	148	The Department of Health Care Policy and Financing should develop and implement a mechanism to ensure the administrative contractor complies with federal requirements.	Agree	6/30/2000
49	150	The Department of Health Care Policy and Financing should ensure applications referred between the Children's Basic Health Plan and Medicaid program are processed timely.	Agree	9/30/2000

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50	152	The Department of Health Care Policy and Financing should ensure consistent and accurate eligibility data are reflected on-line at Anthem and Child Health Advocates.	Agree	10/1/2000
51	155	The University of Colorado at Boulder should strengthen its processes to ensure allowable costs are charged to grants within the Center for Spoken Language Research.	Agree	3/31/2001
52	156	The University of Colorado at Boulder should ensure proper authorization is obtained prior to disposition of federally funded equipment.	Agree	6/30/2001
53	158	The University of Southern Colorado should ensure that all documentation required by the Department of Education is included in the borrower's federal Perkins loan file, and perform a detailed review of the federal Perkins Loan Program database (Greentree).	Agree	6/30/2001
54	161	The Colorado School of Mines should improve subrecipient monitoring.	Agree	3/31/2001

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55	162	The Colorado School of Mines should establish and document a consistent policy for determining satisfactory academic progress.	Agree	11/30/2000
56	163	The Colorado School of Mines should improve the process for notification to lenders and counseling of students who are first-time borrowers and students leaving school.	Agree	11/30/2000
57	164	The Colorado School of Mines should improve documentation of student aid files.	Agree	11/30/2000
58	170	The Department of Human Services should enforce state and federal requirements for the Food Stamp program including (a) citing counties for all instances of noncompliance in monitoring reports issued on county site visits, (b) following up in a timely manner on instances of noncompliance, (c) issuing monitoring reports to counties in a timely manner, and (d) ensuring that corrective action plans are received from counties within 30 days of the issuance of the monitoring report.	Agree	Parts a and c: 1/1/2001 Parts b and d: 7/1/2001
59	171	The Department of Human Services should update its Electronic Benefits Transfer policies to specify a timeframe for cards returned due to damage or malfunction.	Agree	2/1/2001

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60	172	The Department of Human Services should perform reviews of annual independent audit reports for all subrecipients as required under the federal Single Audit Act and follow up on problems identified as necessary.	Agree	12/31/2000
61	173	The Division of Child Support Enforcement should ensure appropriate actions are taken on child support cases.	Agree	8/31/2000
62	176	The Division of Child Support Enforcement should continue to work with the counties that are not in compliance with state child support regulations and impose sanctions on those counties that have ongoing problems with compliance and that do not make good faith efforts to improve.	Agree	1/1/2001
63	188	The Health Facilities Division should increase focus on quality of care and deficiency citing through training, supervision, and teambuilding.	Agree	3/31/2001
64	190	The Health Facilities Division should improve its oversight of employee conflicts of interest by requiring staff to complete and update their conflict-of-interest statements.	Agree	Implemented

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65	195	The Division of Criminal Justice should ensure compliance with the Cash Management Improvement Act by making draws in accordance with the Agreement, and including indirect costs proportionately in each drawdown.	Agree	12/31/2001
66	196	The Division of Criminal Justice should develop a schedule to satisfy the objectives stated in the Strategic Plan as well as in its internal policies.	Agree	7/31/2000
67	198	The Division of Criminal Justice should develop procedures to improve the accuracy of its federal Financial Status Reports.	Agree	1/1/2001
68	200	The Treasurer's Office should ensure that the State is in compliance with the Cash Management Improvement Act and that transfers of funds are made in a timely manner between federal and state agencies.	Agree	12/31/2000
69	202	The Treasurer's Office should review the current U. S. Treasury - State Agreement to ensure that only programs that are subject to the Cash Management Improvement Act are included in the Agreement.	Agree	12/31/2000

Compliance Requirements

- (A) Activities Allowed or Unallowed
- (B) Allowable Costs/Cost Principles
- (C) Cash Management
- (E) Eligibility
- (F) Equipment and Real Property Management
- (G) Matching, Level of Effort, Earmarking
- (J) Program Income
- (L) Reporting
- (M) Subrecipient Monitoring
- (N) Special Tests and Provisions

Federal Entities

- DHHS-- Department of Health and Human Services
- DOA - Department of Agriculture
- DOD - Department of Defense
- DOE - Department of Education
- DOEN - Department of Energy
- DOJ - Department of Justice
- EPA - Environmental Protection Agency
- NASA - National Aeronautic Space Administration
- NSF - National Science Foundation
- OPM - Office of Personnel Management
- SSA - Social Security Administration